

Indian firms look at private deals before listing plans

Over 10 active IPO mandates have transitioned to this dual-track model in the past month

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MUMBAI

Companies in India are increasingly pursuing a dual-track strategy of preparing for an initial public offering (IPO) and simultaneously exploring private sales, as stock market volatility affects both timing and valuations, prompting them to keep a backup plan.

More than 10 active IPO mandates have transitioned to this dual-track model, especially for deals in the range of ₹500 crore to ₹2,000 crore, in the past month, according to investment bankers and deal advisors familiar with the matter.

While the trend is becoming more visible, intermediaries *Mint* spoke to declined to name any companies, citing dealmaking competition and confidentiality agreements governing the mandate shifts.

"I am seeing IPOs with new liquidity worth anywhere between ₹500 crore and ₹2,000 crore turn into dual tracks over the last 30 days," a deal adviser working with IPO-bound companies told *Mint* on condition of anonymity. This shift follows cooling investor appetite amid global uncertainty, which has slowed listing activity. As a result, companies have now begun seeking alternative routes to provide liquidity to shareholders and founders.

"The current environment is not conducive for launching IPOs," said Samir Bahl, chief executive of investment banking at Anand Rathi Advisors. "The primary reason for volume of IPOs was access to growth capital and to facilitate exits for financial sponsors. Those objectives are now being explored through alternative strategies including private credit, private equity (PE) and secondary transactions."



A file photo of the BSE in Mumbai. Under a dual-track process, a firm files regulatory documents for an IPO while also soliciting bids from PE firms or strategic buyers. HT

According to Prime Database, companies with approval from the Securities and Exchange Board of India (Sebi) that have not yet listed include the Munjal family's ₹3,600 crore Hero Fincorp Ltd offer, Morgan Stanley-backed Contin-

fra Investment Trust's ₹6,000 crore issue, Clean Max Enviro Energy Solutions Ltd's ₹3,080 crore IPO and artificial intelligence firm Fractal Analytics Ltd's ₹2,834 crore offering. In 2025, there were 103 mainboard companies

ALTERNATIVE PATH

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IN 2025, there were 103 mainboard companies that raised over ₹1.75 trillion via IPOs

I-BANKERS WHO manage IPOs are now identifying buyers in the private market for clients

uum Green Energy Ltd's ₹3,650 crore plan and Norwest Venture Partners-backed Veritas Finance Ltd's proposed IPO for ₹2,800 crore.

So far in 2026, several IPOs have hit the market despite a broader slowdown in primary activity, including Raajmarg

that raised over ₹1.75 trillion via IPOs, surpassing the record set in 2024.

Under a dual-track process, a company files regulatory documents for an IPO while also soliciting bids from PE firms or strategic buyers. This strategy allows boards to compare the valuation

achieved in public markets against offers from private participants. If market volatility persists, the firm can opt for a private sale, bypassing the requirements of a public listing.

Investment bankers tasked with managing IPOs are now identifying buyers in the private market for their current clients, a second investment banker said, also requesting anonymity. "Currently, we are also looking to facilitate a private transaction for a company where we do not hold an official IPO mandate," this banker said.

"We need to maintain the deal flow for our own benefit," a third investment banker said. "If not IPOs, then private transactions will ensure that commissions stay on track during a period of reduced primary market activity."

While dual-tracking sounds elegant in a banker's pitch, the legal architecture rarely keepspace, Amit Tungare, managing partner at Asahi Legal, said. "Engagement letters drafted for an IPO mandate seldom anticipate a concurrent M&A (mergers and acquisitions) process—that gap becomes a fee dispute the moment a deal closes on the private side."

"The dual-track approach will now become a mainstay as long as the gap between issuer valuation expectations and public market pricing remains," the deal adviser cited earlier said. "This transition in strategy reflects how promoters view the path to monetization. The focus has moved from achieving a listing to securing a transaction, regardless of the venue."

Meanwhile, companies pursuing a dual-track strategy will have to be mindful of regulatory considerations on information sharing during this window and try to ensure parity of information under both processes, said Janhavi Manohar, partner at Cyril Amarchand Mangaldas.

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